



Building America's Dream

The Official Publication of the Home Builders Association of Greater Chicago

January 2009

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BUILDING AMERICA'S DREAM is the official publication
of the Home Builders Association of Greater Chicago,
1841 W. Army Trail Rd., Addison, IL 60101 • (630) 627-
7575

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BUILDING AMERICA'S DREAM is published in the inter-
ests of all segments of the housing industry. Non-members
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ited by law.



On December 7th, 2008, President-Elect Obama said the economy will likely get worse before it gets better. Chicago Area home builders have spent the last couple years hoping that the market had already hit the bottom and business would improve sooner than later. Home builders are eternal optimists; we have to be. Building a quality home that our customers are willing to spend their hard earned money on is a guaranteed challenge for so many reasons: land, material and labor costs have been out of control; regulators continue to push the limits of required construction standards beyond what our customers are willing or are able to pay; and the public and private sectors continued addiction to money and growth. It's no wonder we got so excited when the consumer began buying homes at accelerated and unsustainable prices and paces.

Business as usual is over. This issue of *Building America's Dream* comes as our industry experiences its darkest and most challenging hour. The word "survival" is used at every home builder meeting, event and informal gathering. Customers are losing their homes, long-time home builders and associated businesses are closing their doors, jobs are being "reduced", and budgets are coming up short. We can no longer rely on the fact that there are few greater investments than one's home. Our challenge is not only to survive, but to seek better and sustainable products for our customers.

On this 70th anniversary of the Home Builders Association of Greater Chicago, our Association will be returning to its basic principals in serving out its mission of protecting the American dream of home ownership. Only by focusing on advocacy and education will our industry be able to meet the challenges we face. These two topics will be the focus of this magazine over the next 12 months. Furthermore, every Association event and service will be challenged for its relevance towards our mission and our focus on advocacy and education. It is understood that change will not be easy since tradition and business as usual runs deep in a seasoned organization like HBAGC. However, I believe we are up for the challenge. I say this because I know I am surrounded by committed and experienced business people who are all determined to get through this economic downturn and are interested in more than survival.

This January edition of *Building America's Dream* attempts to define the issues our home building industry has faced throughout history and in the present so that we can begin moving beyond them toward better times. Let's all commit to mustering the strength to stand together to protect ours and our customers' dreams in 2009 and beyond.

To a Prosperous and Sustainable New Year!

Dan Ungerleider, President
Home Builders Association of Greater Chicago

Together we brought in 117 new members in 2008 and 438 renewing members. Congratulations to all our members for your hard work in recruiting. Keep up the good work and let's do it again in 2009!

Thanks to Membership Chair Chris Coleman and the membership committee for their dedication.



In Memoriam ~ Jack Hoffman

Jack Hoffman grew up on Chicago's West Side and attended Austin High School. After returning from the Navy in 1946, he completed his Accounting degree at the University of Illinois and joined his father, Sam, building homes for other returning veterans in Phoenix, Denver, Salt Lake, Albuquerque, and finally back in Chicago. They founded F & S (Father & Son) Construction Co. Their goal was to build affordable quality housing for working families across the country. Jack built some 30,000 homes in a myriad of large communities before his retirement in the mid 1980's and one special one, Hoffman Estates, Illinois, still bears the family name.



condominiums in Tel Aviv in the early 1970's. Besides being one of the first production builders in Chicago to build year around, use pre-engineered trusses & panels, and design entire planned communities, he was a prime proponent of FHA & VA mortgages, and in 1976, after renaming the company Hoffman Homes Corp., formed his own mortgage company and began offering both Chicago's and the United States' first graduated mortgage plan for buyers.

In 1969 he organized the scattered home building industry of the entire Chicago metropolitan area and was elected the first president of the Home Builders Association of Greater Chicago (HBAGC). He is a past Chairman of the Mortgage Finance committee of the National Association of Home Builders and a member of the HBAGC Court of Honor.

Throughout the years, he was noted for numerous technical and financial innovations the company pioneered. He built a variety of housing types including Single Family Detached, Townhomes, and Condominiums, including the City's first high rise Condominium at 339 W. Barry in 1965 and mid rise

His lovely wife Selma of 58 years still lives in Chicago and is patiently waiting for their first great grandchild.



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Contact Steve Hovany: (847) 882-7166

Strategy Planning Associates, Inc



JANUARY

Calendar of Events

- 9 • HBAGC Inaugural Ball
- 14 • Regional Membership Committee
- 15 • Midwest Builders Show® & Conference Committee
- 16 • HomeAid Chicago Board Mtg.
- 21-23 • International Builders Show
- 21 • Regional Finance Committee
• Regional Executive Committee
- 28 • Regional Board of Directors

For complete information on any of these events, visit www.hbagc.com.



Innovative Insulation Solutions, Ltd is the leading spray foam insulation company in Chicago. Our mission is to provide spray foam insulation systems, the highest performing insulation available on today's market.



Unyielding Protection

Spray foam insulation is a bonded solid cellular plastic that provides high "R-value" protection for years to come. Spray foam insulation completely separates indoor from out, resulting in less outdoor noises, no drafts, lower energy bills and a healthier indoor environment.

Think *Isolation*, Not Just Insulation

To effectively control a building's indoor environment, question first what goes inside the walls. Conventional fiber insulation depends upon stagnant air to insulate, but normal winds, humidity and cold lessen performance severely. Fiber's porous nature welcomes humidity-laden air to infiltrate the wall and settle in, forming condensation-water.

Issues now begin. Moisture condensation promotes mildew, mold and decay. Then, harmful micro-toxins that ride the air movement into the indoor breathing space.

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City of Chicago Chapter holiday party highlights



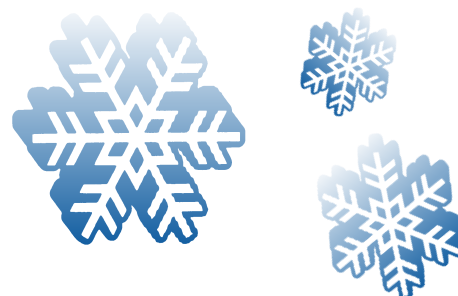
Susanne DeVine and Mike Meier,
MCL Construction



Dan Fowler, Connaught Real Estate Finance,
presenting Ronnie Ziebart, American Chartered
Bank, with an Award of Merit for her many
years of service to the City Chapter.



Pictured (L – R): Kerry Dickson, Related Midwest;
Mark Sullivan, Sullivan, Goulette & Wilson; and Kevin Farrell, Fifield Companies



Pictured (L – R): Giles Flanagan, Peak Development;
Jacob Kaufman, Belgravia Group; and Mike Obloy, Peak Development



Garry Benson, Garrison Partners (left) and
Dan McLean, MCL Companies

Matt Belcher Kick-Starts HBAGC Green Building Program

On December 3rd, the HBAGC Green Subcommittee presented Matt Belcher at the Medinah Banquet Hall to Kick-Start HBAGC's home grown version of the NAHB National Green Building Program.

Attendance at the breakfast meeting numbered an astonishing 106, representing 63 different companies, including a surprising crowd of anxious and pro-active builders. The generous sponsors were long time HBAGC members Velux Skylights and Hines Lumber Co.

Matt Belcher is a member of the NAHB Green Building Subcommittee, Chairman of the NAHB National Green Building Conferences in 2006 & 7, and President of the St. Louis & Eastern HBA in 2007.

He began by relating the explosive growth the last few years of local HBA's across the country adopting the NAHB National Green Building Program, including the Green Council in his own St. Louis HBA growing from just a few members to several hundred in just three years, along with the accompanying revenue and stature.

The key to the success of the NAHB National Green Building Program and its Model Green Home Building GUIDELINES is the fact that it's a consumer driven program, using education & incentives instead of mandates to entice the market into energy efficient, sustainable & healthier building practices, and that the entire program is third party verified by independent NAHB Research Center certified verifiers.

The NAHB Green Building Program voluntary GUIDELINES criteria include:

- Site Planning & Design
- Resource Efficiency
- Energy Efficiency
- Water Efficiency
- Indoor Environmental Quality
- Homeowner Education
- Global Impact

Mr. Belcher emphasized the builder advantages of building green such as:

- Reduced Construction Costs
- Increased Sales
- Increased Profitability
- Greater influence with governmental entities you're working with

He re-emphasized that buyers today are looking for an advocate to help them make sound decisions with respect to green products and building practices that will help offset their home payments. That advocate can and should



Presenter Matt Belcher, President of Belcher Homes, Wildwood, MO.

be the builders themselves.

He gave many examples of affordable green construction techniques and financing incentives from the obvious, such as Photovoltaic Energy production (with all its tax credits and Obama future) and Deconstruction (with all its numerous recycling options & associated cost reductions) to some of the currently lesser known but upcoming green profit producers such as radon mitigation and chlorine reducing shower heads to prevent allergies & asthma. The time to get involved in all these green technologies is NOW, not later when the prices rise.

Much of what Matt spoke of can be found on the NAHB Green Building Program site located at www.nahbgreen.org and is downloadable into hyper-links, printable information and powerpoints. The info available is a veritable cornucopia.

Also briefly introduced at the seminar was the HBAGC Green Subcommittee's own HBAGC Green Building Program outline, beginning with a short Power Point presentation by the

Green Building Initiative's Jerry Gleason of the forthcoming HBAGC Green Web Site and Directory, which will be Chicagoland's first and foremost authoritative first-stop green homebuilding information source for the media, the public, governmental bodies, and the home building industry. All it will take is to click on the "Green" tab atop the main www.hbagc.com website.

Other plans for the HBAGC Green Building Program include Educational programming, Marketing & Communications, Governmental & Lending Incentives, and NAHB Implementation events & operations. Also available are booths and seminars in the Green Pavilion at the Midwest Builder Show® & Conference this March 11-12 in the Stephens Convention Center in Rosemont.

For everyone anxious to get involved in or receive more information about any aspect of the HBAGC Green Building Program, please contact Ed Hoffman at e.hoffman@castlewoodchicago.com or Jennifer Gorra at jenniferg@hbagc.com.



Pictured (L – R): Scott Sevon, Sevnonco/Belgravia Plus; Ed Hoffman, Chairman, HBAGC Green Subcommittee; and Mike Nagel, HBAI Treasurer.



Matt Belcher explains the Green Building Program at Medinah Banquets.

Marsha Elliott: YOUR Candidate for NAHB 2009 Third Vice Chairman

Marsha Gets It. Gets It Done. Gets It Done Right 4 Our Members.



Record of Service and Leadership

National Association of Home Builders (NAHB)

Senior Life Director (2008)
Life Director (1998-2007)
Director (Voting) (1988-1997)
National Vice President Area 9 (2004-2005)
N.V.P. Moderator/Chair (2005)
Life Spikes – 391 Spikes (as of 10/07)
Executive Committee (1999, 2004-2008)
Budget and Finance Committee (2005-2008)
Home Builders Institute Trustee (2007, 2008)
Home Builders Institute Audit Committee (2008)

Home Builders Association of Greater Chicago (HBAGC)

President/HBAGC (1992)
Membership of 1300
Jurisdiction covering 7 collar counties; Cook County; and the City of Chicago
Member of HBAGC for 21 years
President – Sales & Marketing Council (SMC)/HBAGC (1991)
Membership of 1000+
Lifetime Achievement Award Recipient/HBAGC (2004)
Sales & Marketing Team of the Year (1987)

Home Builders Association of Illinois (HBAI)

President/HBAI (1998)
Membership of 4000+
23 Local Associations

NAHB

State Representative/Illinois (2007, 2008)
National Representative/Illinois (1997, 2000, 2001)
Resolutions Committee (1996-1997, 2002-2003, 2005-2006)
Public Affairs Committee (1995-1997, 1999-2004)
Chairman (2004)

HBAGC

Court of Honor Inductee (2001)
Hall of Fame Inductee/Sales & Marketing Council (1992)

www.marsha4nahb.com

Midwest Builders Show® to Shed Light on Solutions for Home Builders

OK, it's time to come out from under the bed. In recent months, finding a nice dark place to wait out the market has seemed like a sensible course of action. But it's getting kind of dusty under there, and it just may be time to come back into the light.

That light will be shining brightly at the Midwest Builders Show, to be held in Chicago March 11 & 12, 2009. Builders and suppliers from all over the Midwest will be there, and here are some reasons why you should be there too:

Upgraded Education Sessions—Now a full 90 minutes long, this year's sessions have been specially planned to address the real problems

builders are facing in the current market. They include some of the biggest names in the industry, all in one place, and all for the price of your registration.

Power Lunch—How often do you get the opportunity to “do lunch” with the top real estate sales consultants in the world? Like nationally known sales trainer Bob Hafer, whose revolutionary learning program is based on the fascinating science of neuro-linguistic programming; and Daron Powers, who will talk about staying focused in a tough economy. Bring your sales staff to attend this important event.

The Green Pavilion—New to the show this year, this special area will include the industry's foremost manufacturers of sustainable and energy-efficient building process. Also featured: the builder of the first NAHB-certified green home, discussing the certification process and the competitive advantage it offers.

Prime booth space is still available for exhibitors, and registration for attendees is now open! Purchase a booth or register online at www.midwestbuildersshow.com, or call Madge Douglas at (630) 627-7575.

Creative Advertising Concept Targets Local Builders' Precise Customers

Tammy Chase, Sun-Times News Group



Amid a year of mounting bad economic and stock market news, new housing starts, and new home sales and home resales in 2008 fell to historic lows. Though some national headlines told horror stories of vacant subdivisions in coastal states like California and Florida, the Chicago region did not escape a bruising.

Locally, new home builders found new construction in once fast-growing collar counties slowing dramatically. Foreclosures were on the rise. Some potential home buyers were scared off by declining values and fears of economic instability. Local builders faced a grim picture.

Advertising and publishing executives at the Sun-Times News Group – owner of the *Chicago Sun-Times* and 70 suburban newspaper titles and corresponding Web sites – recognized early in 2008 that this was no ordinary cyclical downturn, but something new and, unfortunately, gloomier. The executives stared at a tough question: What does an innovative news company do when faced with such adversity?

While some newspapers chose to combine resale and home improvement ads and news, the Sun-Times News Group produces a stand-alone section for new construction only that is inserted into its newspapers that reach 2.8 million readers each week, including the *Chicago Sun-Times*, *The Beacon News* (Aurora), *The Herald News* (Joliet), *Lake County News-Sun*, *The Courier News* (Elgin), *SouthtownStar*, *The Naperville Sun*, and 51 *Pioneer Press* titles in the northern and northwest suburbs.

Today's New Homes works as a "good news" vehicle for builders helping them to spread news and updates on developments. Today's New Homes includes builder-submitted information about new construction. Advertisers are given color and online advertising with their print buy at competitive prices. Today's New Homes features weekly editorial topics that highlight new construction trends and is published in four zones that offer unique editorial content to allow advertisers to target specific geographic areas. Exclusive columnists report market news as well as feature individual builders and their products.

Today's New Homes offers increased zoning opportunities for builders who want to focus on the city, as well as suburban regions, allowing them more bang for their buck.

The answer was to partner with Sun-Times News Group builder customers and find creative ways to help them squeeze as much as possible out of every advertising dollar they could.

"We launched Today's New Homes in June, a vibrant new print product – with an online component and a paid newspaper circulation of more than 700,000 – to better assist Chicago home builders and developers to make their advertising dollars work harder to better reach local new home buyers," said Barbara Swanson, Group Vice President of Advertising and Marketing for the Sun-Times News Group.

"We could see the market getting tougher out there. Today's New Homes offers, among many perks, increased zoning opportunities for builders who want to focus on the city as well as the north, west and south suburban regions, allowing them more bang for their buck," Ms. Swanson said.

"We worked closely with our advertisers to develop Today's New Homes and they know that the Sun-Times News Group is THE voice for home builders in Chicago," said Ms. Swanson. "We believed it was very important to give them what they needed and wanted in this market, and for a great price. Our customers can buy one small part of the market, or they can buy the entire Sun-Times News Group network, spanning the entire Chicago metropolitan area."

Advertisers have responded strongly to the section, said Ms. Swanson. "They appreciate the opportunity to get their messages out on why Chicagoans and suburbanites should take advantage of this market to buy a new home," she said. "By creating more awareness, Today's New Homes brings energy into the marketplace."

State of the Housing Market

Steve Hovany, Strategy Planning Concepts

We finished 2008 with a dismal 7,000 single family attached and detached units and about 9,000 multi family apartment and condo units compared to 32,081 and 15,360 in 2005 respectively. It has been a tough downhill road for the last three years. By late summer, 2008 we were starting to see some indicators turn upward as the housing cycle was playing out, but the economic bust cycle hit. We went from the housing downturn hurting the economy to the economic downturn hurting housing. The upturn we expected in the spring 2009, was pushed to spring 2010 by the emerging recession. The subprime mortgage mess was receding, but replaced by a larger unemployment prime mortgage mess.

So what's in the crystal ball? Single family housing will probably be up 20 to 30% in 2009 but keep in mind the small base. Multifamily will be down in 2009 because of the cancellation of new projects and the inventory still to be sold. In 2010 look for a 50% increase in permits as we are well into the new housing cycle. Just like in retail, buyers want better value and will focus on what they need rather than what they want. The main action will be in the reworking of existing sites, rather than the development of new communities. And as always, it will call on the talent and skills of the home building industry – the industry that houses America.

Heartland Cabinet Supply Inc.: a Tough Company Getting Through Tough Times

Corbie Dimopoulos, Heartland Cabinet Supply, Inc.

Charles Darwin once said, "It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change." This is a quote we at Heartland Cabinet Supply have acted on since the beginning down turn of the market almost 3 years ago. Heartland Cabinet Supply considers its people our greatest asset. Faced with the downturns in the current market, our capability to change and adapt is a strength we would not necessarily have considered our company to have back when we thrived off of a booming housing market. Like many of our peers, our residential builder business has gone almost nonexistent. As a company in August of 2007 we brainstormed ideas for our company using the resources we already had.

A few years ago our company purchased a CNC machine to reduce turnaround time for our fabrication of countertops. This has been a great resource to expand our products and services to the market. We now have the capabilities to design, cut and build our own custom laminate casework for medical offices and small commercial build outs.

Along with our vendor partners, we came up with a slew of promotions to entice consumers to buy from our company; for example, we offer 50% off glazes, free upgrade to inset doors, free sinks, percentages off entire purchase packages, etc. are some of the promotions we have had in the last year. In most cases, it was the determining factor in what would make or break the sale. The best part about it is our builder customers could pass it on to their customers, giving them an advantage as well.

In March of 2008 we kicked off our first annual "Ugliest Kitchen Contest". The contest was open to residents of McHenry County. We partnered with a local appliance store, flooring dealer, countertop material and cabinet vendors as well as our local

See HEARTLAND • page 15

A New Twist on An Old Concept

Roy Gottlieb, Roy D. Gottlieb & Associates

My business for over 40 years has been the brokerage, acquisition, development and sale of vacant land for retail and residential development, mostly to home builders. At one time or another, we worked with most of the major builders in the Chicago suburban area. Now, new development is at a virtual standstill and new home sales have dropped precipitously. The following suggestion is being offered to builders to help them sell out current inventory, as well as sell homes to be built.

We suggest to give a guarantee that if a particular model or unit is purchased and within a given time (perhaps 18 months) that if any further price or product concessions are given to subsequent buyers, that the current buyer will be given a refund to put them at par with the new buyer. I would recommend advertising this program in ads, on your website and point of sale in your models. The builder has no cost if he doesn't reduce his prices or give further concessions (I would exclude in the offer, the prices homes might be sold for at auction). If he does reduce his prices, he still has the prior sale, even at an effective lower price, but a sale he might otherwise never have made.

For an up and standing product, I think it is time to consider an old standard from many years ago, "lease with option to buy", but with a slight twist. The tenant pays rent, a portion of which applies against a fixed future purchase price. The tenant can exercise the right to buy at any time during the lease and get the credit he or she has accumulated, or (and this is the modification) the tenant can pass on the savings (or collect the cash) from an independent buyer obtained by the tenant or by the builder. In other words, if the builder has a buyer for the rented house and the tenant is willing to vacate at a time agreed upon, then the tenant will get the accumulated credit from the proceeds at closing, based on a closing price equal to the tenants projected purchase price. If the selling price is less than that, 50% of the differential shall be deducted from the tenants credit.

Roy Gottlieb can be contacted at Roy D. Gottlieb & Associates, Ltd., 707 Skokie Blvd., Suite 400, Northbrook, IL 60062, Ph: (847) 291-0800; email: roy@rdgottlieb.com.

Today's New Reality Means Implementing Bold Steps

Randy Blankenhorn, Executive Director, Chicago Metropolitan Agency for Planning; and Lee Deuben, Housing and Community Development Planner, Chicago Metropolitan Agency for Planning

People are saying that the glory days are over. They say so because the days are gone when a family of modest means could choose from a multitude of neighborhoods, home sizes, and styles that were as far or as close to work as suited their personal tastes. Gone are the days where easy access to credit prevailed. Gone are the days where building further out meant saving money. Gone are the days when driving to work 50 miles away had little economic bearing or when the energy costs derived from large homes were all but meaningless. And so, by extension, gone too are the days when communities could find a bounty of willing buyers while enacting strict zoning codes that were based more on community character and aesthetic preferences than sustainable planning practices.

In today's reality, development has all but stopped. The credit market refuses to show any signs of give, real estate professionals are increasingly out of work, people are losing their homes, and housing values continue to plummet. Obviously, home builders and homeowners are not the only ones affected by this unfortunate set of circumstances. Municipal revenues are sharply dropping, widespread vacancies due to foreclosures are burdening city services, and many municipal projects have come to rapid halt due in part to the unavailability of credit.

The economic vitality of our communities is in danger.

So what can be done about all of this? Might it be time to seriously consider some of those "good planning principles" that planners have been espousing for years? You know the ones: jobs and housing balance, transit-oriented development, better access and investment in transit, energy-efficient cost savings, more compact communities, and fewer regulatory barriers to promote affordable housing development. Not only are we in a time where we need to figure out how to bring cost down, we also need to figure out how to reduce the overall environmental impact of real estate development. People need the option to have safe, decent, and affordable housing accessible to where they work. Interestingly, transit ridership has escalated to a level not experienced in many decades and studies have shown that housing prices close to transit are declining at a less rapid rate than housing further from transit. Is there a future a premium will be placed on housing that is accessible to transit? Where investing in transit will be favored over more roads? Is this a sign of a future to come?

We are in the midst of a new reality. This reality is based on the notion that, more often

than not, home builders cannot build new housing at a cost that families can truly afford. Collectively, the region needs to figure out how bring the cost of building homes down to align with what people can truly afford. Municipalities will need to take long hard look at their land use regulations such as impact fees, building codes and zoning codes. At the same time, home builders will have to consider new products and be willing to face the challenges of infill or more multi-family development. Consumers will have to accept the fact that the options are not limitless but that decisions need to be made on what they can truly afford in places that reduce both housing and transportation costs.

CMAAP is calling on the real estate community and municipal leaders to have a frank and grounded conversation about what needs to be done to get development moving again. This will entail some give and take on everyone's part. It will entail realigning community desires with new market realities. The region cannot wait to see what happens. Standing by without taking action is not a viable alternative. Today's new reality – and the region's future economic prosperity – make it imperative that we consider and then implement bold steps to address housing in northeastern Illinois.



No-Cost to Low-Cost Ways to Market Your Projects in Today's Economy

Learn from industry experts about new and alternative marketing strategies; you will learn tips and secrets that will really help your bottom line!

Who Should Attend:

- Builders with limited marketing budgets
- Builders looking for new cost effective, measureable ways to promote their projects and increase sales
- Builders with a desire to reach a larger audience and sell more units
- Builders who plan on staying in business in 2009 and beyond
- Builders who realize that yesterday's way of doing things won't work today, let alone tomorrow

Presenters:

Kevin Clow – Comcast

Emily Johnson – Taylor Johnson & Olesker

Maribeth Hearn – The Inertia Group, Inc.

Date, Location and Cost:

Wednesday, January 28, 2009 • 11:30 am – 1:30 pm

HBAGC, 1841 W. Army Trail Rd., Addison, IL

\$15 per person (includes boxed lunch)

Register online at www.hbagc.com



Learn-Build Announces Upcoming Classes

Mitch Levinson, MIRM, CSP, MBA

Course	Location	Date and Time	Cost
BAR/PREP Testing at all HBA's	All HBA's	01/14/09 TBD	\$195
Land Development, Site Planning & Zoning CGA elective, CGB, BAR 4	Fox Valley	February 2009*	\$250
Onsite Project Management CGA elective, BAR 3, PREP 5	SouthWest Suburban	02/19/09 8am - 5pm	\$250
Green Building BAR 1, CGP	Midwest Builder Show®	3/10-11/09 8am-5pm	\$500
Sales and Marketing BAR 4, PREP 1	Midwest Builder Show®	3/10/09 8am-5pm	\$250
Business Management for Building Professionals BAR 2, PREP 2	Northern Illinois	3/25/09 8am-5pm	\$250
BAR/PREP Testing at all HBA's	All HBA's	04/08/09 TBD	\$195
Profitable Business through Quality Practices PREP 3	Will Grundy	4/22/09 8am-5pm	\$250
Trends and Research Methods to Define the Active Adult Lifestyle CAASH 1	Greater Chicago	5/5/09 8am-5pm	\$250
Designing for the Active Adult CAASH 2	Greater Chicago	5/6/09 8am-5pm	\$250
Selling to the Active Adult CAASH 3	Greater Chicago	5/7/09 8am-5pm	\$250
Risk Management and Insurance for Building Professionals PREP 4	Fox Valley	6/10/09 8am-5pm	\$250
Green Building BAR 1	Will Grundy	7/7-8/09 8am-5pm	\$500
BAR/PREP Testing at all HBA's	All HBA's	07/08/09 TBD	\$195

If your New Year's Resolutions include learning more or improving on the job, the Learn-Build program stands ready to help. You can check out the calendar for the first half of 2009 below. It is also available at www.learn-build.com with quick links to full course descriptions and online registration. Courses will be offered at all five participating HBAs during the course of next year, and two courses are being taught in conjunction with the Midwest Builder Show in March. (Please note that courses are subject to change and check the online listings regularly.)

The Illinois Regional Education Board, sponsor of the courses, is compiling a list of instructors that includes both longtime favorites and experienced professionals who are new to the

Learn-Build program. The infusion of new ideas and approaches promises to keep Learn-Build classes fresh and informative.

Learn-Build classes not only offer continuing education on topics directly related to building and remodeling businesses, but they also can be used as steps toward completing NAHB designations. Much more than letters to list after your name, designations show your potential customers and your industry peers that you are dedicated to learning best practices in construction and business management. Listed below each course title are the NAHB designations it helps participants achieve. In the table below, you will find a quick reference to the acronyms used in the calendar.

See LEARN-BUILD • page 13

HomeAid Chicago Kicks Off 2009 with a Project in Maywood



HomeAid
Chicago

www.HomeAidChicago.org

West Suburban PADS is renovating their 2,800 square foot ground floor in order to expand the services provided through and space dedicated to their daytime Support Center, a year-round, multi-service resource center that addresses the income, health, employment, and housing needs of the homeless in our community.

"The expansion and reconfiguration of the Support Center will allow us to serve our clients better", said West Suburban PADS Executive Director Lynda Schueler. "The new space will include a client computer lab for internet job and apartment searches; a large common area for Life Skills classes; a client laundry room; and additional shower stalls and toilets so we can accommodate more than one client at time. In addition, our main entrance will be relocated and include a handicapped accessible ramp". The Support Center is West Suburban PADS' second largest program after the Emergency Shelter, serving nearly 400 individuals a year. In 2007, with assistance from Support Center case managers, 112 homeless individuals found housing and 65 secured new income, a prerequisite for

affording market-rate housing. In addition, 172 homeless individuals received medical care, mental health services and/or substance abuse counseling and treatment, the first step in achieving the stability necessary for independent living.

West Suburban PADS (Public Action to Deliver Shelter) was created in 1992 to provide emergency food and shelter to homeless individuals and families in Oak Park, River Forest and Forest Park. Today, PADS serves 20 towns in near west suburban Cook County and offers a wide range of services that address the physical, medical, mental health, financial, and housing needs of the homeless in our community through four program areas: seasonal Emergency Shelter; a year-round daytime Support Center; Supportive Housing including Transitional Housing for the employed homeless and Permanent Supportive Housing for the homeless mentally ill; and Homeless Prevention assistance for those at imminent risk of homelessness due to eviction or foreclosure.

To learn more, email Natalie at nashton@hbagc.com.

Save the Date!

January 22nd and 23rd

HomeAid Cares Day

in Lake County for Safe Place

Email nashton@hbagc.com to volunteer



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And if your New Year's Resolutions speak to conquering your tendency to procrastinate, you'll be happy to know that you can begin registering for classes now.

BAR – Builder Assessment Review

CAASH – Certified Active Adult Specialist In Housing

CGA – Certified Graduate Associate

CGB – Certified Graduate Builder

CGP – Certified Green Professional

PREP – Professional Remodeler Experience Profile



It is Always Darkest Before the Break of Dawn: 2009 Offers a Prospect of Hope After an Abysmal 2008

Paul Colgan, CEO,
Attainable Housing Alliance



While that old adage dates back to the 1600s, I prefer the positive spin from Irish folk lore (according to Samuel Lover): "There is a beautiful saying amongst the Irish peasantry to inspire hope under adverse circumstances: 'Remember,' they say, 'that the darkest hour of all is the hour before day.'"

My ever-optimistic Irish Grandmother would simply say it is darkest before the dawn in order to help make the sun rise look even more dramatic.

Either way, let's hope the optimism expressed in those adages proves true in 2009.

As we head into the New Year, the future of the home building industry is marked with uncertainty. A new administration, a nation plunged into a recession and consumer confidence at a record low. The economic variables have consumers gripping their pocketbooks very tight, and continuing with a "wait and see" approach before purchasing a new home. This buyer's market has created a more astute, conscientious buyer. People simply are not going to pay for something if they don't see a tangible return on their investment.

The one thing that hasn't been affected by the economic downturn is government affairs. In many ways, a vigilant government affairs effort is needed now more than ever to ensure that local government officials don't take advantage of this climate to seek new ways to regulate or tax the home building industry. Here are just a few things the Attainable Housing Alliance is proud to be working on for the housing industry in the New Year.

In the last edition of this publication the Attainable Housing Alliance described a new concept of teamwork being promoted by AHA to address issues that transcend the borders of one municipality and are applicable to the industry as a whole. With the New Year we may begin to see an increased local government push for expensive code modifications, fee increases and additional special zoning requirements. Each of these variables directly adds cost to new construction, driving up the cost of new housing and prolonging the stagnant market. In today's market, those government mandated cost increases are simply unacceptable.

First and foremost is a concern by the home building industry about how local government improperly utilizes residential impact fees to offset the lack of funds for its standard operating budget. We need to break government of the habit of looking to the home builders to fund initiatives that are not directly attributed to the development. This additional cost is not only legally questionable, but counterproductive as the additional costs prohibit thousands of families from purchasing the new home. This year AHA will be pushing its Capital Facilities Assessment legislation to clearly define the process in which school construction is funded.

More importantly, the fiscal impact of reduced construction and growth on local government revenues and property tax



ATTAINABLE HOUSING ALLIANCE

collections should bely the falsehood that development doesn't pay for itself. The fact that local government is losing revenue because of no growth should help put that to rest once and for all.

A second potential issue possibly requiring a legislative solution arises with the Chicago Metropolitan Agency for Planning's (CMAP) definition, or lack thereof, of Developments of Regional Importance (DRI). When CMAP was established in 2007, the Illinois General Assembly charged CMAP with not only defining a DRI, but defining the role in which CMAP would play in DRI reviews. In September of 2008, CMAP put forth a proposal that described CMAP's authority over DRIs, but failed to address the question of, "What exactly is a DRI?" Rather than allow such ambiguity in regional planning, AHA organized members of the home building industry to oppose the proposal until a specific set of metrics is incorporated. At the time of this article, CMAP staff is revising the proposal.

We've already seen the notion of "Green" building techniques beginning to gain momentum in our more progressive communities. While many builders have and continue to use "Green" techniques, a disconnect exists with local government. Local officials do not really understand exactly what "Green" building truly is, yet they want to be a part of the trend to be environmentally conscientious. Unfortunately, local officials are contracting extreme advocacy groups such as LEED to define "Green." This notion is counterproductive. They should instead be talking to the people who are building their communities, the home builders, to better understand the impact of "Green" on their residents. Rather than implement inflexible mandates, local government needs to develop voluntary incentive programs to entice home buyers to buy into the "Green" concept. They need to look at the issue from a consumer position. The consumer needs to see a value in the product, or else they won't purchase it.

Historically the nation has always looked to the home building industry to lead it out of a recession. The current recession is no different. If the government is looking to have the home building industry once again lead the nation out of difficult times, they need to work with the industry to reduce costs rather than continue the trend of balancing their budgets on the backs of new construction. Through a strong government advocacy program we have begun to see the home building industry gain a seat at the negotiating table. Now that we have a seat, let's use it to make an effective change in public policy.

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Take advantage of the many opportunities to share your stories with our readers. Below is the editorial calendar for the first half of 2009. Start writing and connect with your membership.

Issue	Special Feature Topic	Copy Deadline
March	Midwest Builders Show® & Conference	2/5/09
April	Mortgage Financing	3/5/09
May	Advocacy / Government Affairs	4/6/09
June	HBAGC Directory	5/5/09

- Articles are due by 5 p.m. on the 5th of every month prior to the month of publication (i.e. September's article due August 5th.) *Building America's Dream* is on a tight deadline schedule, and your cooperation in submitting articles in a timely fashion is greatly appreciated.
- Industry-relevant educational informational editorial may be submitted (300 - 700 words). Contributing editors can include their name, title and company under the headline and phone number at the end of the article. The staff of *Building America's Dream* reserves the right to edit for content and length.
- Artwork and photographs may be included, but must be in 300 dpi JPEG, EPS, or TIF formats in order to be published.
- Summaries for proposed articles should be sent to the editor a week prior to the regular content submission deadline. Summaries can be **emailed** to info@hbaggc.com, **mailed** to 1841 W. Army Trail Road, Addison IL 60101, or **faxed** to (630) 627-7580. Email is preferred.

For more information, contact Jennifer Gorra at (630) 627-7575, ext. 208 or jenniferg@hbaggc.com.

We are happy to announce that the Home Builders Association of Greater Chicago has accepted Thousand Oaks in Spring Grove as the site of the

2009 PARADE OF HOMES.

The dates for this Parade will be September 10th through 27th.

For more information, visit www.hbaggc.com or call Rita Unzner at (630) 627-7575, Ext. 205.

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radio station. This helped increase awareness of our company. We plan on holding another contest this year and expect it to grow every year thereafter.

Our company is adapting to the demand of green products. We are now a dealer and fabricator of Richlite and Paperstone. We are also Certified Installer of Cambria Quartz. In the next year we are looking at using adhesives with a low VOC content. We have also been looking into alternative board options for our custom casework and countertops.

At the end of 2006, we created a new slogan.... Think outside the Big Box sm....helping to make remodelers, homeowners etc, understand that a better value, without additional cost can be

had at Heartland. In most cases we can meet or beat the prices that the local big box store offers. In addition to that we have opened a new promotion for countertops; if you bring us a quote from any of our competitors, we will beat that price.

We pride ourselves on continuing to deliver the best service and the best value for our clients. We understand that a happy customer will tell their friends and family about us... We're looking towards tomorrow. We believe that by mid 2009, things will start to loosen up. Until then we continue to adapt and create new avenues to guide our business through these challenging times.



Heartland Cabinet Supply's "Ugliest Kitchen" contest winner, before (left) and after.

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